



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Montana State Office

222 North 32nd Street

P.O. Box 36800

Billings, Montana 59107-6800

IN REPLY TO:

NDM 1484

SDR No. 922-97-04

3165.3 (922.J)

DEC 19 1996

CERTIFIED--RETURN RECEIPT REQUESTED

Deborah L. Singleton

Davoil, Inc.

P.O. Box 122269

Ft. Worth, Texas 76121-2269

Dear Ms. Singleton:

Davoil, Inc. (Davoil) requested a State Director Review (SDR) of a November 15, 1996, Decision by the Dakotas District Office (DDO) requiring Great Western to submit its plans to plug the Federal 7-13 well, pursuant to the regulations at 43 CFR 3107.2-2. The SDR request was timely received in this office on December 16, 1996.

In its request, Davoil provided only a copy of an assignment of its interest in the Federal 7-13 well to Enterprise Energy, Inc. (Enterprise), as of September 3, 1993. Mr. Jay Spielman of my staff contacted you on December 17, 1996, to discuss your rationale for requesting the SDR.

Jay was told that you were unsure of what to do, that you do not have any experience operating wells. He informed you that your co-lessee, Great Western Drilling Co. (Great Western), had filed an identical SDR request about a week ago. Enclosed is our letter to Great Western (Enclosure 1). We suggest that you contact Great Western and discuss your well plugging options with them.

During the telephone conversation with Jay, you acknowledged Davoil's ultimate obligation to plug the well if the operator defaults. We believe that this makes the need for an SDR moot. We request that, as soon as possible after receipt of this letter, you contact the DDO to establish a schedule for plugging the Federal 7-13 well. If you have any questions concerning the plugging requirements, you may contact Mike Nash with the DDO, at 701) 225-9148.



Rediscover Your Public Lands

If you have any other questions, please contact Jay Spielman,
at (406) 255-2859.

Sincerely,

/s/ Thomas P. Lonnie

Thomas P. Lonnie
Deputy State Director
Division of Resources

1 Enclosure

1-Copy of letter to Great Western Drilling Co. (1 p)

cc:

DM, Dakotas District

922:JSpielman:rkd:12/18/96:x2859:Davoil.Ltr